

TECHNOLOGY SERVICES

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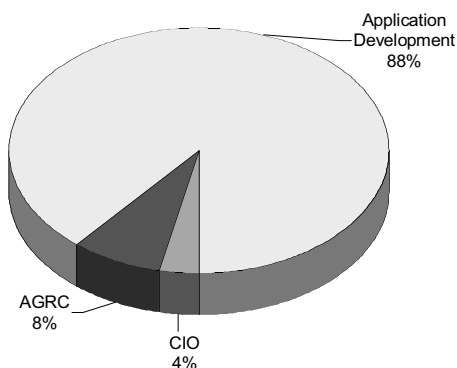
AGENCY BUDGET OVERVIEW

TECHNOLOGY SERVICES INCLUDES:

- Chief Information Officer
- Automated Geographic Reference Center
- Information Technology Services
- All executive branch Information Technology employees

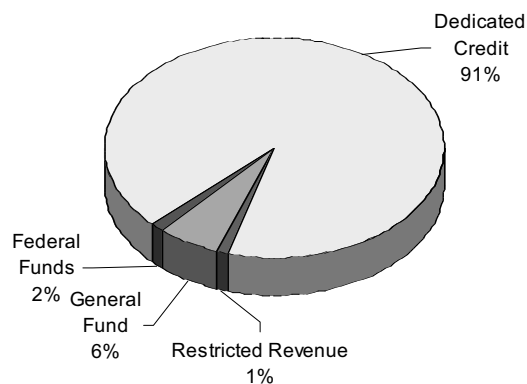
Mission: *Bring value and innovation to Utah through service and technology*

Where Will My Taxes and Fees Go for Technology Services? (Total Appropriated FY 2007 Funding is \$23,287,700*)



Financing of Technology Services

(Based on FY 2007 Recommendations - Appropriated Only)



*Graphs include FY 2006 \$9,000,000 appropriation to the Tax Commission which will mainly be used in FY 2007. These amounts do not include ISF revenue.

TECHNOLOGY SERVICES OVERVIEW

Formation of the Department of Technology Services (DTS)

- DTS was created on July 1, 2005 with the transfer of the Office of the Chief Information Officer (CIO), previously in the Governor's Office, and the Automated Geographic Reference Center (AGRC), previously in Administrative Services.
- The creation of DTS came as a result of the governor's directive and the passage of House Bill 109, *Information Technology Governance Amendments* (Clark, D.)
- Throughout FY 2006, Information Technology Services (ITS), previously in Administrative Services, as well as all information technology (IT) employees residing in executive branch agencies will join DTS.
- In FY 2007, DTS will be the centralized IT service provider for state agencies.
- An internal service fund (ISF) that will charge state agencies will be the primary funding mechanism for DTS as executive branch agencies purchase IT products and services.
- The formation of DTS will not increase the overall state IT budget.

Purpose

- Enhance information technology as a tool to streamline government operations and improve efficiency
- Position the state for future opportunities offered by communication and technology maturation
- Enhance the alignment of IT throughout the state
- Create an IT service organization that proactively supports and promotes state business while realizing efficiencies

Other Responsibilities

- AGRC: Facilitates the use of geographic information systems in state agencies and local governments and provides operation and maintenance for Utah geo-spatial data
- CIO: Serves as executive and transition director for DTS and provides strategic direction for IT policy and resources

RECOMMENDATIONS: GOVERNOR'S GOALS AND INITIATIVES

(See itemized table for full list of recommendations)

New tax system

- Build the first phase of a new core tax system with \$9,000,000 in supplemental dedicated credits that will be carried over into FY 2007; the new system will better adjust to tax code changes, increase system stability, and update the 20-year-old system responsible for accounting for more than \$5,000,000,000 in revenue for the state

Electronic Resource Eligibility Project (eREP)

- Complete the eREP automation project by adding Medicaid and the Children's Health Insurance Program with \$10,168,300 in one-time dedicated credits; the integrated eligibility application, eREP, for the departments of Workforce Services, Health, and Human Services will also include Temporary Assistance for Needy Families, Child Care, Food Stamps, and General Assistance programs when finished

Maintenance and management system

- Increase efficiency and effectiveness in maintaining roadway assets by updating the 15-year-old transportation maintenance and management system with \$1,000,000 in one-time dedicated credits to build the first module

Offender Tracking (O-track) management system

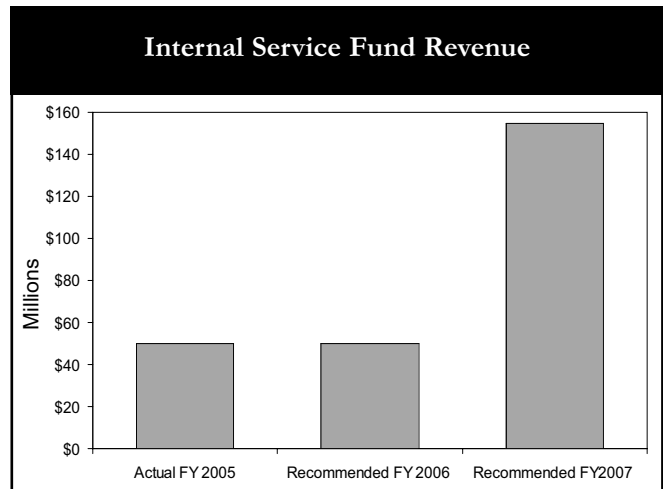
- Make information about offenders, corrections, and trends in criminal justice more accessible to managers and employees by building a management system with \$250,000 in one-time dedicated credits

Oil and Gas online filing system

- Increase access and efficiency of the Natural Resources oil and gas application process by creating an electronic permitting system using \$100,000 in one-time dedicated credits

Transfer of IT employees

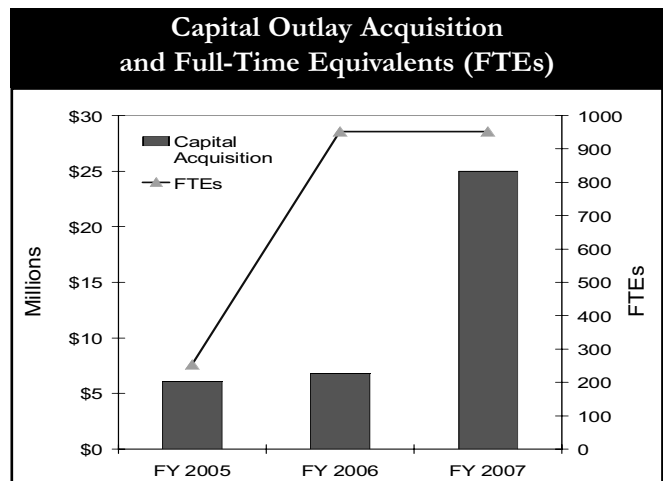
- Transfer all IT employees to DTS in FY 2006 and give DTS ISF authority to bill agencies for personnel costs estimated at \$30,179,400



ISF revenue in FY 2007 is a shift in funds from other state agencies and will not increase the overall state budget.

GOALS

- Increase efficiency while improving services
- Perform IT services and projects using the right person at the right time with the right technology
- Provide services that meet the current and future business needs of the state
- Address agency business needs in a timely and efficient manner



In above graphs, FY 2005 and FY 2006 funds are ITS specific. FY 2007 includes ITS and all IT in executive branch agencies. FTEs will be transferred to DTS in FY 2006. Capital acquisition in FY 2007 includes IT assets at all state agencies and is not an increase to the overall state budget.

PROPOSED LEGISLATIVE INTENT LANGUAGE

FY 2006 Intent Language

- Funds for the Department of Technology Services are nonlapsing

INTERNAL SERVICE FUNDS

Technology Services includes ISFs that provide products and services to state and other governmental agencies on a cost-reimbursement basis. For FY 2006 and FY 2007 the governor recommends FTEs and capital outlay authorizations for Technology Services as indicated on the following table.

ISF Description	Estimated Revenue	FTE Recommended	Capital Outlay Recommended
Technology Services (FY 2006)	\$30,179,400 (a)	938 (b)	\$6,800,500 (c)
Technology Services (FY 2007)	\$155,000,000 (d)	938	\$24,877,400

(a) The FY 2006 revenue estimate is for personnel costs of state IT employees and does not include the \$47,920,600 authorized for ITS in House Bill 1, *Annual Appropriations Act* (Bigelow)

(b) The FY 2006 FTE authorization includes the original authorization of 236 FTEs in Senate Bill 3, *Supplemental Appropriations Act II* (Hillyard)

(c) The FY 2006 Capital Outlay recommendation is the original authorization in Senate Bill 3, *Supplemental Appropriations Act II* (Hillyard)

(d) The FY 2007 estimate is due to the consolidation of information technology, and the FY 2007 rates will be available in June 2006.

TECHNOLOGY SERVICES

Operating Budget

Governor Huntsman's Recommendations							
	Actual FY 2005	Authorized FY 2006	Supple- mentals	Recommended FY 2006	Base FY 2007	Ongoing and One-time Adj.	Total FY 2007
Plan of Financing							
General Fund	\$1,450,000	\$1,699,000	\$0	\$1,699,000	\$1,296,500	\$131,200	\$1,427,700
Federal Funds	495,500	746,600	0	746,600	350,000	0	350,000
Dedicated Credits	428,400	527,200	9,000,000	9,527,200	527,200	11,584,500	12,111,700
Restricted and Trust Funds	250,000	250,000	0	250,000	250,000	0	250,000
Beginning Balances	192,100	724,000	0	724,000	624,400	0	624,400
Closing Balances	(724,000)	(624,400)	0	(624,400)	(476,100)	0	(476,100)
Total Financing	\$2,092,000	\$3,322,400	\$9,000,000	\$12,322,400	\$2,572,000	\$11,715,700	\$14,287,700
Programs							
Technology Services	\$2,092,000	\$3,322,400	\$9,000,000	\$12,322,400	\$2,572,000	\$11,715,700	\$14,287,700
Total Budget	\$2,092,000	\$3,322,400	\$9,000,000	\$12,322,400	\$2,572,000	\$11,715,700	\$14,287,700
% Change from Authorized FY 2006 to Total FY 2007							
330.0%							
FTE Positions	--	15.0	0.0	15.0	15.0	0.0	15.0

TECHNOLOGY SERVICES

TECHNOLOGY SERVICES FY 2007 OPERATING BUDGET						
	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
Beginning Base Budget						
P1 FY 2006 appropriated budget	\$1,699,000	\$50,000	\$544,400	\$250,000	\$0	\$2,543,400
P2 Adjustments for one-time FY 2006 appropriations	(400,000)	0	0	0	0	(400,000)
P3 Adjustments for extra working day	(2,500)	0	0	0	0	(2,500)
P4 Adjustments to funding levels	0	300,000	(17,200)	0	148,300	431,100
Total Beginning Base Budget - Technology Services	1,296,500	350,000	527,200	250,000	148,300	2,572,000
Statewide Ongoing Adjustments						
P5 Cost-of-living adjustments of 2.5%	20,300	0	9,800	0	0	30,100
P6 Discretionary salary increase funding	14,600	0	6,600	0	0	21,200
P7 Health insurance rate adjustments	9,500	0	3,600	0	0	13,100
P8 Human resources consolidation adjustments	7,100	0	3,500	0	0	10,600
P9 Termination pool rate adjustments	34,900	0	14,500	0	0	49,400
P10 Retirement rate adjustments	5,800	0	2,200	0	0	8,000
<i>Subtotal Statewide Ongoing Adjustments - Technology Services</i>	<i>92,200</i>	<i>0</i>	<i>40,200</i>	<i>0</i>	<i>0</i>	<i>132,400</i>
Ongoing Adjustments						
P11 AGRC incentive program	39,000	0	26,000	0	0	65,000
<i>Subtotal Ongoing Adjustments - Technology Services</i>	<i>39,000</i>	<i>0</i>	<i>26,000</i>	<i>0</i>	<i>0</i>	<i>65,000</i>
One-time Adjustments						
P12 eREP for Workforce Services, Health, and Human Services	0	0	10,168,300	0	0	10,168,300
P13 Oil and Gas online filing system for Natural Resources	0	0	100,000	0	0	100,000
P14 Maintenance management system (phase I) for Transportation	0	0	1,000,000	0	0	1,000,000
P15 Offender tracking management system for corrections	0	0	250,000	0	0	250,000
<i>Subtotal One-time Adjustments - Technology Services</i>	<i>0</i>	<i>0</i>	<i>11,518,300</i>	<i>0</i>	<i>0</i>	<i>11,518,300</i>
Total FY 2007 Technology Services Adjustments	131,200	0	11,584,500	0	0	11,715,700
Total FY 2007 Technology Services Operating Budget	\$1,427,700	\$350,000	\$12,111,700	\$250,000	\$148,300	\$14,287,700
TECHNOLOGY SERVICES FY 2006 OPERATING BUDGET ADJUSTMENTS						
Supplemental Adjustments						
P16 Core tax system (phase I) for Tax Commission	\$0	\$0	\$9,000,000	\$0	\$0	\$9,000,000
<i>Subtotal Supplemental Adjustments - Technology Services</i>	<i>0</i>	<i>0</i>	<i>9,000,000</i>	<i>0</i>	<i>0</i>	<i>9,000,000</i>
Total FY 2006 Technology Services Budget Adjustments	\$0	\$0	\$9,000,000	\$0	\$0	\$9,000,000
TECHNOLOGY SERVICES TOTALS						
FY 2007 Operating Base Budget	\$1,296,500	\$350,000	\$527,200	\$250,000	\$148,300	\$2,572,000
FY 2007 Operating Ongoing and One-time Adjustments	131,200	0	11,584,500	0	0	11,715,700
FY 2007 Operating Recommendation	1,427,700	350,000	12,111,700	250,000	148,300	14,287,700
FY 2006 Operating Adjustments	0	0	9,000,000	0	0	9,000,000